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In the Supreme Court of the United States

KSR INTERNATIONAL CO.,
Petitioner,

v.

TELEFLEX INC. and
TECHNOLOGY HOLDING CO.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF HAROLD W. MILTON, JR. AS *AMICUS CURIAE* IN SUPPORT OF RESPONDENT

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QUESTION PRESENTED

Whether the Federal Circuit has erred in holding that a claimed invention cannot be held "obvious," and thus unpatentable under 35 U.S.C. § 103(a), in the absence of some proven "'teaching, suggestion, or motivation' that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed.

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Brief of Harold W. Milton, Jr. ("Hal")
as *Amicus Curiae* Urging Affirmance[1]

INTEREST OF THE *AMICUS CURIAE*

Mr. Milton is a patent attorney with over 45 years of experience. During this time, he has worked both as an examiner for the USPTO, and as an attorney in private practice. He has steadily drafted patents for the entire 45 years. In addition, Mr. Milton drafted the claims of U.S. Patent Application Ser. No. 09/643,422 which issued as U.S. Patent No. 6,237,565, the patent at issue in this case.[2]

Mr. Milton currently manages a training program, acting as a mentor to student clerks and young attorneys, training them in the art of patent application preparation. He also regularly teaches a course in patent application preparation at Michigan State University College of Law. As such, Mr. Milton has a substantial interest in appropriate adjudication of substantial issues of patent law, and particularly, the legal standard for patenting an advance benefiting society.

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[1] In accordance with Supreme Court Rule 37.6, this brief was not authored in whole or in part by counsel to any party. The parties have consented to the filing of *amicus curiae* briefs in papers docketed with the court on July 19, 2006 and July 31, 2006. No person other than the *amicus curiae* made a monetary contribution to the preparation or submission of this brief.

[2] Respondent is no longer a client of *amicus*, and therefore the interest of *amicus* is independent of the success or failure of Respondent in the pending action. The views and opinions expressed in the brief are his own and should not be attributed in any way to Respondent.

SUMMARY OF THE ARGUMENT

The test that a combination of elements is not obvious, and therefore patentable, in the absence of a suggestion to combine the elements is actually illusory and a misnomer. The prior decisions of this, and other, courts set forth the proper and fundamental test: selecting elements from various prior art references and combining them together with no change in their respective functions fails to yield a nonobvious and patentable invention. On the other hand, the courts have likewise held that a combination of elements is not obvious and is patentable when the new combination produces a new or unexpected result.

Technological change is generally incremental, usually by many investigators in the field, and it is not a sudden and revolutionary step forward. The public is usually not aware of the incremental progress and only learns of the last increment by a successful inventor who makes the technology usable. As examples, the inventive contributions of famous inventors, e.g. the Wright brothers, Thomas Edison, and some leading edge companies, could be rendered obvious in hindsight, yet their discoveries founded entire industries where none had previously existed. It is the race to make the successful increment of progress that spurs capitalism and benefits all of society.

The Wright brothers' contribution to aviation was limited to differentially warping the airplane wings vis-à-vis the wings of birds. Thomas Edison's contribution to electric lighting was limited to taking a known filament coil and winding it tightly in multiple loops, as opposed to the previously known single loop. Texas Instruments' work on the pocket calculator was simply in combining multiple computer chips into a single, integral chip positioned beneath

the keypad. Each of these inventions has had an enormous economic and social impact on our society. Petitioner's reasoning would have rendered all of these achievements as obvious, and runs afoul of Constitutional and statutory law.

The current test for patentability requires that before two or more prior art references can be combined to demonstrate obviousness, there must be some suggestion in the prior art to combine the teachings, and is known as the suggestion test.[3] This label is unfortunate, and a misnomer, as it implies a requirement of a specific statement in the prior art. In actual practice, the presence of any such statement is simply part of the prior art that is combined, making any express suggestion illusory. The label itself tends to speak against finding an invention obvious based on a mere selection of elements without any new or unexpected results, an approved and proven standard of patentability. This test needs to be reinforced to maintain an objective objective standard of patentability to ensure consistent evaluation of patentable subject matter that is also consistent with the previous decisions of this Court and which will retain the validity of thousands of existing patents.

Without an objective standard, chaos would be multiplied across thousands of patent examiners, judges, juries, attorneys, etc. and would result in inconsistent decisions on patentability. It would negatively impact the incentive to pursue important contributions to technology, and would

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[3] Some other courts, including the CAFC in *Teleflex*, referred to a "motivation to combine." *See, e.g., Teleflex Corp. v. KSR Int'l Co.*, 119 Fed. Appx. 282, 286 (Fed. Cir. 2005). The use of the term "motivation" or "suggestion" does not affect the analysis under the test. For simplicity, only the term "suggestion" is used herein.

impede the forward progress of the useful arts. The members of this Court might not even agree, subjectively, about the obviousness of any particular invention. For this reason, Congress specifically prohibited a subjective standard of patentability in 35 U.S.C. § 103 (a).

Objectivity is achieved where, as under current law, an invention is considered obvious, and therefore not patentable, if factual reasoning can be articulated to show obviousness. This test, derived from § 103 and Supreme Court precedent, enables the Court of Appeals for the Federal Circuit ("CAFC") to ensure stability among the lower courts and reasoned decision-making in the administrative decisions of the patent office. This Court should reject the suggestion test and re-emphasize, in accordance with its prior decisions, that an invention is obvious, and not patentable, if it is a mere selection of prior art elements combined to perform the identical function as they did separately in the prior art. No express suggestion is needed as it is inherent in the mere selection by one skilled in the art. Such a combination by mere selection without a new or unexpected result fails to yield a patentable invention. This rule presumes that one of ordinary skill has the basic ability to merely select and combine known components for their known purposes. This prevents patents from issuing for trivial aggregations with no creative component.

The patent at issue is not obvious as a mere selection, because it recites a placement or positioning not known in the art. The patent is much narrower than simply an adjustable pedal assembly combined with an electronic control; instead, it is the first to position the electronic control on a fixed pivot for both adjustment and operation of the pedal. The novel improvement is characterized by the placement of the electronic control on the support bracket to prevent the

movement of the electronic control as the pedal travels fore and aft during adjustment of the operating position. This feature is not shown in the prior art and no reference discloses such placement, i.e. the placement itself required some creativity.

ARGUMENT

I. Subjectivity allows wildly different and personal opinions to pervade the question of obviousness.

a. Some important and famous patents could be subjectively obvious.

On December 17, 1903, Wilbur Wright piloted the Wright Flyer for 59 seconds, traveling a distance of 852 feet, conclusively demonstrating the possibility of sustained flight. Earlier efforts had solved the problems of lift and thrust. In fact, the now familiar bi-plane structure of the Wright Flyer was derived from the work of Octave Chanute, whose hang gliders taught in 1896 that stacking multiple wings on top of each other could achieve extra lift. The final problem, total control, was not demonstrated until the now famous demonstration at Kitty Hawk, NC, and the issuance of U.S. Pat. No. 821,323 in 1906.

While observing birds, the Wright brothers noticed how they would lift one edge of one wing while tilting the edge of the other wing down. They related that both birds and bicycles "roll" or "lean" into a turn. Thus, their control solution had been found. By designing a rig which could actuate opposite sides of the wings simultaneously in opposite directions, the Wright brothers had achieved the elusive control.

Like many inventions, however, the claimed elements of the Wright patent were known in the prior art, albeit not readily recognizable as being combinable. After all, the Wright brothers simply combined the known bi-plane structure of Chanute with the "known" practice in birds of tilting wing edges in opposite directions to achieve control. Was this inventive contribution obvious? Some members of this Court might even question whether the concept, derived from the natural instinct of birds, is patentable as an extension of the "recogni[tion] that '[p]henomena of nature, though just discovered'" are not patentable. *Laboratory Corp. of America v. Metabolite Laboratories, Inc.*, 548 U.S. ___, _____, 126 S. Ct. 2921, 2923 (2006) (Breyer, J., dissenting) (quoting *Gottschalk v. Benson*, 409 U.S. 63, 67 (1972)). Of course, the Wright patent issued for the structural improvement to the plane, not an abstract idea about mimicking a bird's behavior. In any event, the facts show that it was not obvious as other inventors in the field had the same access to birds and failed to observe and apply the practice, indicating that the Wright brothers had indeed produced a new and unexpected result.

Along similar lines, Thomas Edison is widely known in America as the inventor of the electric light bulb. Edison's first fully functional light bulb consisted of a tightly coiled carbon filament placed within a glass bulb. However, Joseph Swan had produced a light bulb having a loosely wound filament coil within a glass bulb based upon experiments performed years earlier. The problem with earlier attempts, like Swan's, was that the filament was inefficient and had too short of a lifespan to be practical.

Edison's bulb was unique in that he tightly wound the carbon filament into a coil to vastly increase the filament's electrical resistance. Edison discovered that increasing the

resistance of the filament was the key to increasing its durability. It was also then generally known in electrical engineering that winding a wire into a tight coil would increase the wire's resistance. The increased resistance in the carbon filament vastly decreased the energy used as well as the heat produced by the light bulb. It was this combination of known practices that produced the first efficient, long lasting, and easy to manufacture light bulb.

However, Swan's light bulb simply taught the loose filament coil as a way of increasing the available surface area within the bulb. Thus, the coil winding knowledge combined with light bulb filaments produced a new result. This combination is what is encompassed by U.S. Pat. No. 223,898, issued to Edison in 1880.

Finally, Texas Instruments, Inc. ("TI") debuted its pocket-sized calculator as its first commercial product in 1972. The TI calculator was smaller, lighter and less expensive than any other calculator on the market.[4] However, portable calculators were previously available, and took advantage of integrated circuit chips, just as TI's product. The prior calculators used multiple integrated chips, each performing a few dozen functions. The multiple chips presented a packaging problem, making the product bulky and expensive.

The key to the TI calculator was combining the several chips of the prior calculators onto a single thin wafer. Accordingly, all of the elements of TI's invention were already known in the art; to wit, electronic adding circuits

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[4] TI's pocket calculator sold for around $150, at a time when other, larger calculators sold for as much as $1000.

combined with a number pad. TI simply packaged these previously known components to produce a thin calculator having a single chip that could be placed in a shirt pocket. TI's U.S. Patent No. 3,819,921 is based upon the relative positioning of the single chip, specifying that it be no bigger than the keypad. Therefore, although it may have been obvious to replace several chips with a single chip, once that has become known in the art, it was the positioning of that single chip in relation to the keypad that made the pocket calculator possible. Notably, this relative positioning also exists in the patent claim at issue, discussed *supra* at 26-27.

b. Subjecting patentability to personal opinions of obviousness runs afoul of Constitutional and statutory law.

History, of course, demonstrates that no other flying attempt came close to the success achieved by the Wright brothers. Even today, modern planes and gliders still operate from the same basic principle, albeit movable ailerons have been substituted for warping.

Likewise, electric lighting only became widespread after Edison's discovery. Without long lasting filaments, light bulbs would simply not have been practical enough to encourage people to abandon their candles and oil lamps, and investment in production of electrical power would not have been as lucrative. Today, society's ability to easily function after dark is taken for granted, but in 1880, it was quite stunning.

Finally, the pocket calculator was an instant success, making TI a household name, not to mention market leader, in pocket calculators within a few years of its release. An entirely new market was created, forever changing classroom

instruction and engineering field work. However, it was the pursuit of the pocket calculator patent that motivated TI to produce their first commercial product and forever change their business model. Many other products would follow in the years to come, and today TI is a veritable giant in the field of electronics.

Submitting inventions to a subjective standard of patentability would have disastrous consequences. It would signal a return to the pre-1952 standard of invention, the subjectivity of which made it "the plaything of the judiciary [where] many judges delighted in devising and expounding their own ideas of what it meant. This kind of mystical reasoning left the judiciary free to indulge their personal whims about patentability." Giles S. Rich, *Laying the Ghost of the "Invention" Requirement*, 1 APLA Q. J. 26 (1972), *reprinted in* 14 FED CIR B.J. 147, 166 (2004). Subjectively, the members of this Court may not be able to agree about the "inventiveness" of the subject matter before it. Differing opinions will only compound this problem by subjecting patentability to the personal biases and opinions of thousands of people, all serving different roles within the system. Patent examiners will not agree amongst themselves, let alone with attorneys, judges, and juries as to what is patentable and what is not. One examiner, typically an inexperienced examiner, might have too high a standard, while another too low. If the standard of patentability is too high and prevents the patentability of such incremental advances, the incentive for competitive inventors to pursue solutions and make commercially important inventions would be non-existent. This would frustrate the Constitutional purpose of "promot[ing] the progress of ... the useful arts." U.S. CONST. art. 1, sec. 8, cl. 8. In addition, thousands of patents might be litigated to determine their validity, which would

waste millions of dollars, further frustrating the Constitutional command.

The application of a personal opinion to determine whether the increment of advance in an invention was obvious would violate § 103's mandate that "[p]atentability shall not be negatived by the manner in which the invention was made." 35 U.S.C. § 103 (a). An objective test operates to fulfill this requirement by simply looking at the art and the objective reasons it would have been obvious to combine the references. This ensures that every invention, from a potato peeler to a hybrid-electric car, is examined consistently, under the same standards, without being biased by the subjective opinion of the degree of incremental advance in the art. In short, applying a subjective standard of patentability would create chaos and circumvent the purpose of the Constitutional grant, § 103, and the prior decisions of this Court.

c. A test has evolved from the common law that has been mislabeled as "the suggestion test."

Novelty has long been a requirement of patentability, and asks whether each and every component of a patent claim is shown in a single reference. *Structural Rubber Prods. Co. v. Park Rubber Co.*, 749 F.2d 707, 715 (Fed. Cir. 1984). Understandably, this is difficult to find. More commonly, a reference must be modified by combining it with other teachings to articulate a rejection of a patent. This need has been recognized for over 150 years. For example, the Supreme Court, in *Hotchkiss*, held that a patent would not be valid if it was merely "the work of the skilled mechanic, not that of the inventor." *Hotchkiss v. Greenwood*, 52 U.S. (11 How.) 248, 267 (1851). As the common law of "invention" became unworkable, as described by Judge Rich, *supra*, the drafters of the 1952 act proposed a revision that would

preclude patentability "if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art." 35 U.S.C. § 103(a). *See also, Rich, supra* at 166. However, "[t]he statute does not purport to categorize the particular criteria according to which the judgment is to be exercised." P.J. Federico, Commentary on the New Patent Act (Originally printed in 35 U.S.C.A. (1954 ed). In other words, it was up to the courts.

The Supreme Court set forth the basic factual inquiries that form the backdrop against which obviousness is determined. *Graham v. John Deere Co.*, 383 U.S. 1 (1966). The fact finder should determine "the scope and content of the prior art," ascertain the "differences between the prior art and the claims at issue," and resolve "the level of ordinary skill in the pertinent art." *Id.* at 17. "Against this background, the obviousness or nonobviousness of the subject matter is determined." *Id.* In keeping with the tradition in the common law, the lower courts interpreted the factual inquiries of *Graham* and the policy expressed in § 103 to require some suggestion in the prior art, whether in the references themselves, or in the knowledge of those skilled in the art when two or more references are combined together to invalidate a patent. *See Dystar Textilfarben Gmbh v. C.H. Patrick Co.*, __ F.3d __, __ (Fed. Cir. Oct. 3, 2006) available at http://fedcir.gov/opinions/06-1088.pdf p.7 (discussing the suggestion test as a "subsidiary requirement" of the *Graham* factors); *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1351 (Fed. Cir. 2001) (discussing the suggestion to combine as part of the scope and content of the prior art and the level of skill in the art); *Monarch Knitting Mach. Corp. v. Sulzer Morat Gmbh.*, 139 F.3d 877, 881-83, 886 (Fed. Cir. 1998) (discussing the suggestion as part of the

scope and content of the prior art), and *Ruiz v. A.B. Chance, Inc.*, 357 F.3d 1270, 1275 (Fed. Cir. 2004) (discussing how the suggestion test fulfills the policy statements in § 103). Such an evolution was specifically contemplated by this Court when it laid down the policy. *Graham*, 383 U.S. at 18 (noting that this test "should be amenable to a case-by-case development") (emphasis added). This analysis recognizes the fact that "most inventions arise from a combination of old elements." *In re Kahn*, 441 F.3d 977, 986 (Fed. Cir. 2006). Therefore, the question is not whether the individual elements can be found, but rather whether it would have been obvious to combine them. This has become unfortunately labeled as "the suggestion test." It will be demonstrated, however, that any presence of an express suggestion is simply an illusion, rendering the suggestion test factually non-existent.

For example, in *Ruiz*, the claimed invention was a screw anchor with a metal bracket used to stabilize a building foundation. *Ruiz*, 357 F.3d at 1272-73. A first prior art reference taught the use of the screw anchor having a concrete haunch. *Id.* at 1273. A second reference taught a push pier anchor with a metal bracket. *Id.* According to the court, "the nature of the problem to be solved" would have led the inventors "to combine the screw anchor in [reference one] with the metal bracket in [reference two]." *Id.* at 1276. Despite the application of the suggestion test, there was nothing specifically indicated in the prior art that would comprise a "suggestion" as the term is colloquially known. It will be demonstrated, *infra* at 21, that the test is simply that a selection of prior art elements that fails to produce a new or unexpected result is not patentable.

Additionally, in *Kahn*, the invention was a combination of components for reading aloud words from a page of text using directional sound to indicate position on the page. *Kahn*, 441

F.3d at 981. A first prior art reference taught an eye controlled sensor that can read aloud a word from a page of text. *Id.* at 982. A second reference taught the use of phase shifting of sound to create an acoustical image representing a physical location, and expressly indicated that it could be used as a reading device. *Id.* at 983. Because of this express statement, the court held that it would have been obvious to combine the references. *Id.* at 989. Although this does represent a "suggestion," the statement in the second reference is more appropriately thought of as an expression of an expected result, making the suggestion an illusion. The proffered invention is therefore a mere selection of old elements, each performing as expected, and without new and unexpected results resulting from the combination.

d. The rule articulated by this Court should prevent inconsistent and arbitrary decision-making.

However, although the suggestion test may be factually non-existent (or unnecessary), an objective test of patentability is still mandatory to prevent arbitrariness. As Abraham Lincoln said, "The patent system ... added the fuel of interest to the fire of genius in the discovery and production of new and useful things." *Lecture on Discoveries and Inventions* at the Young Men's Ass'n of Bloomington, Il (April 6, 1858) (transcript available at: http://showcase.netins.net/web/creative/lincoln/speeches/discoveries.htm). This fuel is threatened by the imposition of a subjective test that would set the bar too high and act as a disincentive to inventors. A subjective test would surely be used to weaken the patent system by those viewing patents as restraints on trade.

An early case illustrates an arbitrary decision, without objective support, by the USPTO that an invention was obvious. The case involved an application for a patent on an

improved cooling method that was characterized over the prior methods by aerating water before spraying it onto cans. *In re Adams*, 356 F.2d 998, 1001 (C.C.P.A. 1966). Prior art cooling methods used jets of non-aerated water, while secondary references taught the use of aerators in ordinary water faucets. *Id.* However, no one prior to this application had combined aerated water in a cooling system. Instead, aerators were used in water faucets to prevent splashing, with no indication that aerated water would have superior heat transfer properties. Nevertheless, the examiner and board of appeals rejected the application and "made no attempt to explain why it would be obvious, other than to say aerating or foaming rinse water is commonplace." *Id.* at 1002.

In reversing the rejection, the Court of Customs and Patent Appeals, a predecessor to the CAFC, specifically countered the examiner's conclusory, hindsight based argument by noting that "neither reference contains the slightest suggestion to use what it discloses in combination with what is disclosed in the other." *Id.* In other words, after reading the inventor's discovery, the examiner was able to point out foam fire extinguishers and aerated water from kitchen sinks. However, as the court pointed out, this "ex post facto explanation" as to why Adams' invention works does not displace the need of finding evidence indicating obviousness. *Id.* at 100. Failure to do so is the essence of arbitrary decision-making. *In re Lee*, 277 F.3d 1338, 1345 (Fed. Cir. 2002). The examiner's reasoning in *Adams* is a prime example of the type of hindsight that is impermissible under § 103, commanding application of an objective test.

Currently, the suggestion test is applied by the Patent and Trademark Office examination corps ("PTO") under a series of instructions adopted by PTO officials. *See* Manual of Patent Examining Procedure §§ 2141-2143 (2006) (hereinafter

"M.P.E.P. § ___"). It is the "[o]ffice policy to follow *Graham v. John Deere Co.*" and therefore determine the content of the prior art, the differences between the proposed invention and the prior art, and the level of ordinary skill in the art. M.P.E.P. § 2141. Once these facts are established, the examiner bears the initial burden, and must identify factual support showing that

> there [is] some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not be based on applicant's disclosure.

Id. at § 2142.

This purports to be an instruction to examiners on how to take the factual inquiries provided by *Graham*, and analyze them to make a legal conclusion. It prevents an examiner from arbitrarily declaring an invention to be obvious without any factual support. However, the term "suggestion" is unfortunate, as *Kahn* and *Ruiz* demonstrate, because the suggestion does not have to be an explicit statement. *See Dystar*, at http://fedcir.gov/opinions/06-1088.pdf p.17 (explaining that the suggestion is often "an explanation of the well-known principle or problem-solving strategy to be applied"). Nonetheless, to the extent that the test attempts to impress upon examiners the importance of articulating factual

evidence to support the legal conclusion of obviousness, such a requirement is absolutely necessary.

Ironically, the PTO is specifically requesting that this Court give it the power to make arbitrary decisions. *See* Brief of United States as Amicus Curiae Supporting Petitioner at 21-26, *KSR Int'l. v. Teleflex, Inc.*, No. 04-1350 (Aug. 22, 2006) (expressing the views of the USPTO). Their argument, essentially, is that the suggestion test is not justified because all courts and agencies must, in various circumstances, "avoid the influence of hindsight." *Id.* at 21. The suggestion test, it is argued, "unduly restrict[s] the ability of patent examiners to reject obvious patent applications without an extensive search ..." *Id.* at 22 (emphasis added). This is an interesting complaint since *Graham* recognized the PTO as having "primary responsibility for sifting out unpatentable material." *Graham*, 383 U.S. at 18. It is unclear how this can be accomplished without extensive searching.

Regardless, the suggestion test should not require an expressly stated suggestion in a prior art reference. As it has been demonstrated, any factual supporting reasoning will suffice. If a mere re-labeling of the test is all that is required to clarify this important issue, then so be it. Of utmost importance is the reliance upon facts and not conclusory assertions to establish obviousness. *Dystar*, at http://fedcir.gov/opinions/06-1088.pdf p19 (noting that assumptions about knowledge in the art "cannot substitute for evidence thereof"). Instead, the PTO is asking to "be allowed to bring to bear ... its reckoning of the basic knowledge and common sense possessed by persons in particular fields of endeavor when making the predictive judgment whether an invention would have been obvious." Brief of United States, *supra*, at 26. What's more, "[t]he patent applicant should

bear the burden of proving PTO's Board and examiners wrong." *Id.*

In other words, the PTO wants the authority to tell applicants that an invention is obvious because the examiner says it is, and if the applicant believes otherwise, then the applicant must prove a negative, i.e. absence of obviousness, in order to prevail. Yet, through all of this, applicants are supposed to simply trust "the PTO to avoid the influence of hindsight." *Id.* at 21. In the absence of an objective test, it is unclear how appellate courts can ensure compliance. Furthermore, the PTO offers no solution as to how this requirement can be policed. Such arbitrary decisionmaking is specifically what the Administrative Procedure Act seeks to prevent. *See* 5 U.S.C. §§ 551-559, 706 (2006). *See also Kahn*, 441 F.3d at 988, and *Lee*, 277 F.3d at 1344-45. That goal is well served by application of an objective test, "rest[ing] on the unremarkable premise that legal determinations of obviousness ... should be based on evidence rather than on mere speculation or conjecture." *Alza Corp. v. Mylan Laboratories, Inc.*, __ F.3d __, __ (Fed. Cir. Sept. 6, 2006) *available at* http://www.fedcir.gov/opinions/06-1019.pdf, pp.5-6 (emphasis added).

However, the concerns of the USPTO would be addressed in the reaffirmation and restatement by this Court that merely selecting elements from various prior art references and combining them together with no change in their respective functions fails to yield a patentable, nonobvious invention. This test also positively addresses the software industry's concerns, as discussed *infra* at 23-24, by rendering obvious those software patents that merely select known steps into a computer program within the inherent skill of an ordinary computer programmer.

II. This Court should articulate a rule that is consistent with stare decisis and sound patent policy.

a. A conclusive statement by this Court is needed.

One fact that is not disputed by *amicus* is that the CAFC has tended to ignore certain decisions of this Court. *See* Brief for Petitioner at 29, *KSR Int'l v. Teleflex, Inc.*, No. 04-1350 (Aug. 22, 2006). In fact, the CAFC has criticized lower courts for citing language related to "combination patent claims ... taken from the opinion in *Sakraida* ... [because i]t but obfuscates the law. *Medtronic, Inc. v. Cardiac Pacemakers, Inc.*, 721 F.2d 1563, 1566 (Fed. Cir. 1983) (citations omitted). This statement belies Judge Rich's comments to the APLA in 1978:

> It can hardly be denied that recent decisions of the Supreme Court in patent validity cases are illogical ... and self-contradictory. However, it will get litigants nowhere to tell the lower federal courts that the Supreme Court has lost is marbles! ... That would cause the Court to lose face and it would be disrespectful .... No lawyer in his right mind would do that.

Giles S. Rich, *Escaping the Tyranny of Words - Is Evolution in Legal Thinking Impossible?*, NONOBVIOUSNESS - THE ULTIMATE CONDITION OF PATENTABILITY, at 3:301 - 324 (1980), *reprinted in* 14 FED. CIR. B.J. 193, 194 (2004) (internal quotes omitted).

Of course, a lower court should never attempt to by-pass the decisions of the Supreme Court. *Rodriguez de Quijas v. Shearson/American Express, Inc.*, 490 U.S. 477, 484 (1989) ("[T]he Court of Appeals should follow the case which

directly controls, leaving to this Court the prerogative of overruling its own decisions.") But disobedience of the CAFC should not cause punishment to be inflicted onto the system as a whole. Objectivity must be maintained. Moreover, this Court should provide guidance to the lower courts that their function is to interpret the law, not to set patent policy. It is imperative that the Court's opinion provide a workable, objective rule apart from merely overruling or discarding the suggestion test.

b. Stare decisis compels a conclusion that patentability rests with new or unexpected results.

There is, in fact, an existing body of law, consistent with this Court's precedent, that requires "[e]ach question of obviousness [to] ultimately rest on its own facts." *In re Andre*, 341 F.2d 304, 308 (C.C.P.A. 1965). In some situations, "the references[,] when contemplated by one of ordinary skill in the art[,] would, *in themselves*, suggest ... the combination." *Id.* (quoting *In re Conti*, 337 F.2d 664, 670 (C.C.P.A. 1964)) (emphasis added). In a case involving the patent application of Fred Winslow for a method of filling plastic bags, Judge Giles S. Rich provided a vivid analysis in affirming the rejection. *In re Winslow*, 365 F.2d 1017, 1020 (C.C.P.A. 1966). Specifically, the court agreed that the application was nearly identical to a reference to Gerbe, with the exception of using retaining pins instead of a clamp to hold the bags in place. *Id.* A second reference, to Hellman, disclosed the use of a pin for holding bags in position that performed the identical function to the applicant's system. *Id.* However, the significance in the decision is the description of applying § 103 to determine whether the differences are obvious:

> [F]irst picture the inventor as working in his shop with the prior art references - which he is presumed to know - hanging on the walls around him.... If there were any bag holding problem in the Gerbe machine when plastic bags were used, their flaps being gripped only by the spring pressure between the top and bottom plates, Winslow would have said to himself, "Now what can I do to hold them more securely?" Looking around the walls, he would see Hellman's envelopes with holes in their flaps hung on a rod. He would say to himself, "Ha! I can punch holes in my bags and put a little rod (pin) through the holes. That will hold them!"

Id.[5]

Therefore, merely selecting features from various prior art references and combining them together with no new or unexpected results fails to yield a patentable, nonobvious invention. The analysis in *Ruiz* exemplifies a modern example of this test. Although couched in terms of a suggestion to combine, the court reasoned that since all the elements were disclosed in the art, the conclusion of obviousness was supported on the record. *Ruiz*, 357 F.3d at 1276. However, from the description, it is clear that the

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[5] This description has since become known to members of the patent bar as the *Winslow Tableau*. *See, e.g.*, ROBERT P. MERGES & JOHN F. DUFFY, PATENT LAW AND POLICY 757 (3d ed. 2002). It should be noted that a properly applied analysis should refer to a hypothetical person skilled in the art, as contemplated by § 103. *See, e.g., Kimberly-Clark Corp. v. Johnson & Johnson*, 745 F.2d 1437, 1454 (Fed. Cir. 1984) (Rich, J.) (noting that there is "no need to presume that the inventor knows anything about the prior art").

invention consisted of nothing more than a mere selection of a screw anchor and a metal bracket, both known separately in the art without "achiev[ing] a new result." *Id.* at 1272-73, 1275. One of ordinary skill is therefore presumed to have at least the basic ability to combine known components for their known purposes; the selection process is inherent in the ordinary skill. This also fulfills *Graham*'s constitutional mandate that patents "add to the sum of useful knowledge." *Graham*, 383 U.S. at 6.

Where there is no change in the function of the claimed combination from the prior art, the *Winslow* analysis transcends mere "break[ing of] an invention into its component parts." *Ruiz*, 357 F.3d at 1275. Instead, by considering the function, examination is made into the "subject matter as a whole." 35 U.S.C. § 103. This evaluation gives value to the "combin[ation of] various existing features or principles in a new way to achieve a new result - often the very definition of invention." Ruiz, 357 F.3d at 1275 (emphasis added). It is this new result that is the contribution of the inventor. One of ordinary skill (i.e. less than an inventor) is presumed to know to combine old components to achieve an old result.

In fact, defining invention in this manner is precisely consistent with this Court's case law in accordance with the practice of "gleaning the law ... from a careful reading of the full text of a group of related precedents." *Dystar*, at http://fedcir.gov/opinions/06-1088.pdf p20. In *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U.S. 147 (1950), the question of liability turned on whether patent claims for a grocery check-out counter were valid. *Id.* at 148-49. The Court invalidated the claims because none of the elements of the claims "perform[ed] any additional or different function." *Id.* at 152.

Later, after the passage of § 103, the Court invalidated another patent as obvious for the same reason. *See Anderson's Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57 (1969). Specifically, the patent was directed to an asphalt paver incorporating a radiant heater. *Id.* at 58. Notably, the heater provided an important advantage: by heating a previously paved strip of asphalt, a smoother joint was formed. *Id.* at 59. However, because it was known prior to the invention to use a separate heater in tandem with a paver, "[t]he combination of putting the burner together with the other elements in one machine ... did not produce a 'new or different function.'" *Id.* at 60 (quoting *Lincoln Co. v. Stewart-Warner Corp.*, 303 U.S. 545, 549 (1938).

Finally, the last time this Court considered the obviousness of a patent was in *Sakraida v. AgPro, Inc.*, 425 U.S. 273 (1976). The patent claim at issue involved a system for releasing a rush of water along a sloped floor to carry waste toward a drain at the lower end of the floor. *Id.* at 276 n.2. After citing a variety of prior art references, ranging from prior patents to Greek mythology, the Court concluded that the patent "simply arranges old elements with each performing the same function it had been known to perform." *Id.* at 282. The failure to produce a new function was catastrophic to patentability, and indicative of "the work of the skillful mechanic" who knows how to combine known elements for their known functions, and "not that of the inventor" who seeks a new result. *Hotchkiss*, 52 U.S. (11 How.) at 267. *See also Ruiz*, 357 F.3d at 1275 (defining invention as combining elements "to achieve a new result"); *Dystar*, at http://fedcir.gov/opinions/06-1088.pdf pp. 23-25 (reconciling *Black Rock* and *Sakraida* with CAFC cases to demonstrate their compatibility consistency).

From these cases, a rule can be synthesized, consistently with the description provided in *Winslow*, that selecting features from various prior art references and combining them together with no change in their respective functions fails to yield a patentable, nonobvious invention. This allows the PTO, as well as the lower courts, to invalidate patents as obvious without an explicitly stated suggestion. This properly vests the ordinary artisan with the inherent ability to combine prior art elements, and finds patentable weight in the achievement of new or unexpected results.

This rule is also applicable in methods as well. For example, steps individually known in the prior art that are combined together in a single computer program are not patentable simply because the computer provides the medium for combining and performing the known steps. In many cases, the lack of a computer in the prior art is the very reason that the elements were not previously combined, i.e. there was no computer sophisticated enough to enable the combination of known steps. However, the absence of an express suggestion to combine, particularly for business methods that simply add the use of an appropriate computer, does not require a finding of patentability when it was simply the computer that facilitated the combination in the first place. *See Dann v. Johnston*, 425 U.S. 219, 226-30 (1976) (noting that one of skill in the art would have been able to use banking information and sophisticated data processing methods to arrive at the claimed invention). Rather, the combination of known steps into a computer program is merely a selection inherent in the skill of a computer programmer, a standard which should meet the objectives of the software industry. *See, e.g.*, Brief of Intel Corp. and Micron Technology, Inc. as *amici curiae* in support of Petitioner at 2, *KSR Int'l v. Teleflex, Inc.*, No. 04-1350 (Aug. 21, 2006) ("Intel and Micron are deeply concerned that the

Federal Circuit's ... standard ... has facilitated the proliferation of patents claiming nothing more than the straightforward combination of references already well-known in the relevant art."), *and* Brief of the Business Software Alliance as *amicus curiae* in support of Petitioner at 10-11, *KSR Int'l v. Teleflex, Inc.*, No. 04-1350 (Aug. 22, 2006) ("With so many components in each product, opportunities abound to seek patents for a combination of several components, no matter how obvious.")

It cannot be overstressed that the suggestion test is illusory and a misnomer. Where there is clearly no new or unexpected result, the court has simply stated that the combination was suggested by "the nature of the problem to be solved." *Ruiz*, 357 F.3d at 1276. In practice, however, the suggestion test does not really rely on a suggestion in the prior art. If a combination of known elements does not produce a new or unexpected result, the combination is obvious as it is within the inherent ability of the ordinary artisan to merely select elements from the prior art for their known purposes. *Sakraida*, 425 U.S. at 282. A suggestion need not exist to combine the elements because the problem at hand implied the combination of known elements producing their known functions. Even when courts have relied upon an explicit suggestion in the prior art, they are really stating that the combination of the known elements did not produce a new or unexpected result, because such a result was expressly disclosed in the prior art for solving the problem at hand.

c. This rule is proven to be consistent with patent policy as expressed by Congress.

The CAFC has been accused of creating the suggestion test absent any basis in the statute or in this Court's precedent. *See* Brief for Petitioner, *supra*, at 15-16.

However, nothing could be further from the truth. Instead, the CAFC's development and articulation of the suggestion test, discussed *infra*, is simply the normal function of lower appellate courts. It was the CAFC's duty to interpret § 103 and this Court's decisions to articulate a workable, reliable rule. The fact that the doctrine's label has caused a misinterpretation is unfortunate, but easily remedied.

An objective test is important for addressing many of § 103's requirements. First, the proposed rule prevents hindsight reconstruction, thus ensuring that the inquiry remains focused "at the time the invention was made." 35 U.S.C. § 103 (a). Second, an objective test prevents piecemeal dissection of a patent, focusing the inquiry instead to "the invention as a whole." *Id*. *See also Ruiz*, 357 F.3d at 1275. In addition, the rule also provides informed evaluation of the factual inquiries required by this Court. *Graham*, 383 U.S at 17-18.

Hindsight is a serious concern when evaluating a patent for obviousness. It is accepted that most inventions are combinations of known components. One who finds the basic components in various pieces of prior art and combines them together with the benefit of the applicant's disclosure "simply takes the inventor's disclosure as a blueprint" and fails to properly evaluate the obviousness of the invention. *In re Dembiczak*, 175 F.3d 994, 999 (Fed. Cir. 1999). A good example of this type of analysis is the examiner's argument in *In re Adams*, discussed, *supra*, at 15. Hindsight based reasoning necessarily takes into account knowledge that only became available after the applicant's disclosure, and is therefore specifically prohibited by § 103 and its mandate that the inquiry remain focused on "the time in which the invention was made."

An objective assessment is mandated to provide "assurance of an 'as a whole' assessment" under § 103. *Ruiz*, 357 F.3d at 1275. "Without this important requirement, an obviousness assessment might break an invention into its component parts (A + B + C)," and then find three references each showing one of the three parts, and "on that basis alone declare the invention obvious." *Id.* This type of reasoning "uses the invention as a roadmap" and discounts the value of whatever new result is achieved by the combination, contravening the purposes of § 103. *Id.*

III. There is more to the present invention than a mere selection of elements.

Finally, among the arguments presented in this case, one must not lose sight of the fact that the present invention is far more narrow or specific than the mere combination of an electronic control with an adjustable pedal assembly, with no additional function. Certainly, such a broadly stated claim could be obvious, but that is not the issue before the Court. In contradistinction, the '565 patent is based upon packaging of the components in a manner analogous to the packaging of the components in TI's pocket calculator.

The '565 patent specifically requires "an electronic control attached to said support ... [and] characterized by said electronic control being responsive ... as said pedal arm pivots about said pivot axis ...[and] the position of said pivot remain[ing] constant while said pedal arm moves." U.S. Patent No. 6,237,565 col.6, ll.27-35 (filed Aug. 22, 2000) (reference numbers omitted). Substantial factual inquiries need to be developed at the trial court to determine whether it was obvious to place the electronic control on the fixed and common pivot about which the pedal moves independently for operation and for adjustment of operational position. The

novelty of the claimed invention is the specific placement of the electronic control that allows the pivot to remain fixed during adjustment of the operational position of the pedal assembly. It is this feature that is conspicuously missing from the prior art. Although the prior art clearly shows both adjustable assemblies and electronic controls, no reference discloses the specific placement of the electronic control in the manner accomplished by the inventor of the '565 patent.

By understanding the subtle nuance in the novelty, the asserted claim is distinguished from other "combinations" that might lack an inventive contribution over the prior art. The factual record needs more development to adequately inform the obviousness analysis. This was recognized by the CAFC, and for this reason their decision should be *affirmed*.[6]

CONCLUSION

The law of patentability should prevent the application of hindsight and different subjective tests by different examiners, judges and juries. The test for obviousness should validate patents on historically significant inventions. The suggestion test has proven to be a misnomer in that there is never a "suggestion" when new and unexpected results are attained, and the "suggestion" is inherent in a mere selection and

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[6] Although placement might seem unimportant, one should be reminded of the tale of GE consultant Charles Steinmetz who submitted an invoice of $10,000 after analyzing a complex system and marking the malfunctioning part with a piece of chalk. GE requested an itemized invoice, to which Charles reportedly responded: "Making chalk mark, $1. Knowing where to place it, $9,999." *See* Mary Bellis, *Charles Proteus Steinmetz – Inventor of the Alternating Current*, About Inventors, *at* http://inventors.about.com/od/astartinventions/a/Steinmetz.htm.

combination of elements each performing as expected. Therefore the "suggestion" terminology should be rejected, and a patent claim should continue to be valid when the new combination produces a new or unexpected result absent in the prior art. However, if the combination constitutes nothing more than a mere selection of old elements each performing its known function, without a new or unexpected result, it is obvious to one of ordinary skill in the art. These rules comport with all of the decisions of this Court and the lower courts. The invention at issue here does not fall under the category of merely selecting features from the prior art because the prior art does not disclose the novel placement of the electronic control on the fixed pivot. For these reasons, and with this qualification, the decision of the Court of Appeals for the Federal Circuit should be *affirmed*, so that the case may return to the district court to resolve these issues of fact.

Respectfully Submitted,

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